

ILL. C. C. DOCKET NO. 06-0800
ICC STAFF
CROSS Exhibit No. 10ICC Docket No. 06-0800
Auction Manager's Response to
Staff's (RP) Data Requests 1.01
Dated: April 13, 2007
Witnesses 4/25/07
Reporter CB**REQUEST NO. RP 1.03:**

In Auction Manager Exhibit 2.0, lines 698-700, Dr. LaCasse states that Staff's proposal to require applicants to provide their calculation of TNW, to show how they calculated it and to provide citations to their financial statements for each component of the TNW calculation can only increase the number of deficiencies associated with the part 1 application. Assuming the Commission adopts Staff's TNW proposal, if during the next auction application review process a supplier submits a part 1 application that includes either (a) a TNW calculation that differs from the credit and application team's consensus decision regarding that supplier's TNW or (b) incorrect citations for any of the TNW components upon which the credit and application team's independent TNW calculation is based, then what actions, if any, would the Auction Manager take to provide an opportunity for the supplier to correct its part 1 application with respect to the TNW calculation?

RESPONSE:

The Auction Manager evaluates applications received during the application window on the day they are received. The Auction Manager sends a notice to applicants on that same day either stating that the application is complete or providing all deficiencies with respect to the application. The Auction Manager team assesses a deficiency when information provided is incomplete or when the information provided presents an inconsistency.

Circumstance (a)

If the applicant provided a TNW calculation with consistent and complete references to the financial statements, no deficiency would be assessed. Assuming that the applicant was successful in the Part 1 Application process, the Auction Manager would ask the credit and application team to provide the rationale for its decision, and the Auction Manager would provide a detailed account of how the credit and application team's calculation differed from the applicant's calculation in the applicant's Notification of Qualification. The Auction Manager would state in the Notification of Qualification that the applicant's pre-auction security amounts are based on the TNW calculated by the credit and application team.

Circumstance (b)

If the applicant provided incorrect citations for any of the TNW components, the Auction Manager team would find the application deficient. The Auction Manager team would fax a deficiency notice to the applicant. The applicant would then be given either until noon on the Part 1 Application Date, or until 6:00 p.m. on the business day following the business day during which a deficiency notice is faxed, whichever came later, to respond. If the deficiency was not cured, the application would be rejected and the supplier would not participate in the Auction. The same would apply in other circumstances such as the applicant supplying a citation to a

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document that has not been provided with the application materials, the applicant making a calculation error, the applicant failing to provide one or more citations to the financial statements, or the applicant providing a TNW calculation without citations.

Witness who can testify subject to appropriate, in-scope cross examination: Chantale LaCasse